



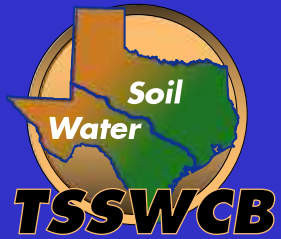
Texas State
Soil & Water
Conservation
Board



Changes in Audit Requirements for Soil and Water Conservation Districts

EFFECTIVE FISCAL YEAR 2010



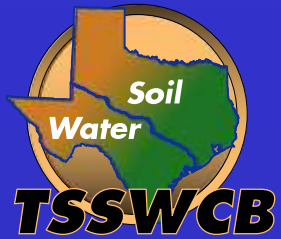


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Audit Exemption

District may file Financial Statements compiled by the District if:

- State Revenues are \$40,000 or less
and
- State Fund balances are \$50,000 or less
and
- There are no long-term liabilities
and
- Not otherwise required to have an audit

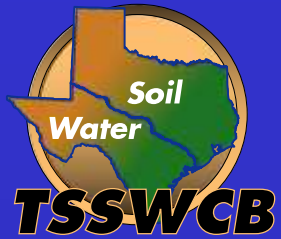


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Audit Exemption

District may file Financial Statements
compiled and reviewed by a Certified Public
Accountant if:

- State Revenues are \$40,001 to \$100,000



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Audit Requirement

District must file Audit prepared by a
Certified Public Accountant if:

- State Revenues are in excess of \$100,000
or
- State Fund balances are in excess of \$50,000
or
- There are outstanding long-term liabilities
or
- Otherwise required to have accounts audited

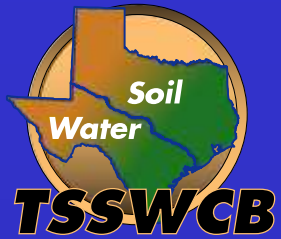


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Financial Statements

Requirements:

- Not required to be in compliance with GAAP (Generally Accepted Accounting Principals)
- Not required to be in compliance with GASB (Government Accounting Standards Board)
- Required to satisfy statutory reporting requirements per instructions provided by the State Board



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Financial Statements

Requirements:

- Cash basis for year end August 31, 2010
- Ending statement balances will match bank statement balances as of August 31
- New schedule for listing accruals (accounts payable, accounts receivable)

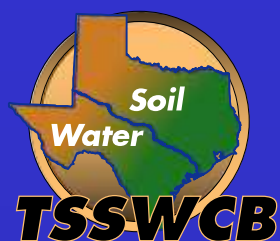


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Audits

Requirements:

- Required to be in compliance with GAAP
- Required to be in compliance with GASB
- Prepared on an accrual basis

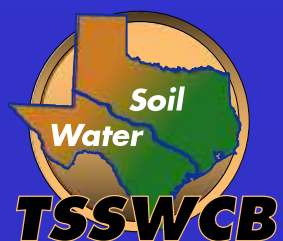


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Summary

Financial Statements

- Either compiled by District or compiled and reviewed by Certified Public Accountant
- Not required to be in compliance with GAAP or GASB
- Required to meet statutory reporting requirements per instructions provided by State Board
- Statements will be prepared on cash basis
- New schedule will be added for listing accruals

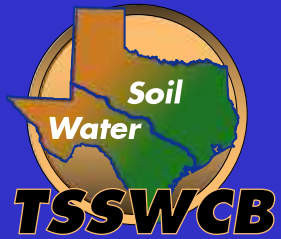


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Summary

Audits

- Required to be in compliance with GAAP
- Required to be in compliance with GASB
- Statements will be prepared on an accrual basis



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Dates and Deadlines

September 1	Notification Forms Due
October 30	Financial Statements Due
January 1	Financial Statements Approved and Audits Due
February 28	Audits Approved